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BRETT A. AXELROD, ESQ.
Nevada Bar No. 5859
NICHOLAS A. KOFFROTH, ESQ.
Nevada Bar No. 16264
ZACHARY T. WILLIAMS, ESQ.
Nevada Bar No. 16023
FOX ROTHSCHILD LLP
1980 Festival Plaza Drive, Suite 700
Las Vegas, Nevada 89135
Telephone: (702) 262-6899
Facsimile: (702) 597-5503
Email: baxelrod@foxrothschild.com
nkoffroth@foxrothschild.com
zwilliams@foxrothschild.com
Counsel for Debtor

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD,

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

**DECLARATION OF CHRISTOPHER
ANDREW MCALARY IN SUPPORT OF
DEBTOR'S MOTION FOR ENTRY OF
ORDER AUTHORIZING THE
PAYMENT OF CERTAIN LICENSING
FEES**

Hearing Date: April 20, 2023

Hearing Time: 9:30 a.m.

I, Christopher Andrew McAlary, declare as follows:

1. I am the Chief Executive Officer of Cash Cloud, Inc. dba Coin Cloud (the "Debtor" or "Cash Cloud"), debtor and debtor in possession in the above captioned chapter 11 case (the "Chapter 11 Case").

2. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge. I am over the age of 18 and am mentally competent. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

3. I make this Declaration in support of *Debtor's Motion for Entry of Order Authorizing the Payment of Certain Licensing Fees* (the "Motion").¹

4. In the ordinary course of business, Debtor incurs certain business license and zoning permit fees in the places where its digital currency machines ("DCMs") are located (collectively, the "Licensing Fees"). Debtor pays the Licensing Fees to various state, county and city governments, including licensing authorities (the "Licensing Authorities") on a periodic basis (typically annually, but occasionally semi-annually) depending on the nature of a particular Licensing Fee and as required by applicable laws and regulations. A schedule identifying the Licensing Authorities to which Debtor owed Licensing Fees on the Petition Date (aggregating \$20,366.88) is attached to the Motion as Exhibit 2.

5. If Debtor fails to pay the Licensing Fees, the Licensing Authorities may seek to revoke Debtor's business licenses and zoning permits, and require Debtor to remove its DCMs from the relevant locations and forfeit the income stream associated therewith. The amounts owed to the Licensing Authorities are relatively small and the likely disruption to Debtor's business from its failure to pay the Licensing Fees is significant.

6. Debtor has sufficient funds under its budget approved by the DIP Lender in connection with the DIP Loan to pay the amounts described in this Motion in the ordinary course of business.

7. Accordingly, Debtor seeks authority to pay and remit all prepetition and postpetition obligations on account of Licensing Fees, including where: (a) Licensing Fees have accrued or were incurred prepetition but were not paid prepetition (see Motion, Exhibit 2); and (b) Licensing Fees incurred for prepetition periods that become due and payable after the Petition Date.

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

1 I declare, under penalty of perjury of the laws of the United States of America, that the
2 foregoing statements are true and correct to the best of my knowledge, information and belief.

3 Executed this 20th day of March, 2023 in Las Vegas, Nevada.

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6 /s/Christopher Andrew McAlary

7 Christopher Andrew McAlary
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